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Chairman: Mr. Wali ..... (Nigeria)

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The meeting was called to order at 10.10 a.m.

Statement by the Chairman

1. **The Chairman** said that, at the 2005 World Summit, Member States had agreed to several important steps which required full and prompt implementation and reaffirmed the fundamental role of the United Nations in the promotion of international cooperation for development. The vitality of the global partnership for development had been shown by the commitment made at the Summit to implementing by 2006 comprehensive national development strategies to achieve internationally agreed development goals and increasing official development assistance (ODA) as well as by the establishment of firm timetables by the European Union to meet the target of 0.7 per cent for ODA. Another important step forward was the finalization of the debt relief plan for the Heavily Indebted Poor Countries (HIPC).

2. The international community must increase its efforts to conclude the Doha Development Round quickly. There was a very wide gap between the expressed political commitment to the Round and willingness to make the kinds of concessions which would give a major boost to the process. The sixth Ministerial Conference of the World Trade Organization in Hong Kong would be the last opportunity to conclude the Round by the end of 2005.

3. The Committee would be addressing several other issues requiring special attention, including external debt and debt problems of countries which did not belong to the HIPC group, financing for development, globalization and interdependence and international migration. The Committee might also wish to adopt resolutions which would prepare the ground for the High-level Dialogue on Financing for Development and high-level dialogue on international migration and development during the sixty-first session of the General Assembly.

4. As many of the agenda items before the Committee required a cross-cutting approach, particularly those concerning the advancement of women, poverty eradication and the role of the private sector in achieving the Millennium Development Goals, he proposed holding a number of joint informal events with the Third Committee to enhance mutual understanding of those issues.

Statement by the Under-Secretary-General for Economic and Social Affairs

5. **Mr. Ocampo** (Under-Secretary-General for Economic and Social Affairs) said that the World Summit had reaffirmed faith in the multilateral system and expressed a strong commitment to the United Nations development agenda. The Summit had asserted the vital role which the United Nations conferences and summits had played in shaping a broad development vision, identifying common objectives, galvanizing development policy and programmes at all levels and guiding the work of the United Nations system. Among the elements in the Summit Outcome of particular relevance to the Committee was, first, the obligation of all States to adopt and begin implementing national development strategies for achieving internationally agreed development goals, including the Millennium Development Goals. Secondly, at the Summit, world leaders had reaffirmed their commitment to the global development partnership which had been agreed to in the Monterrey Consensus. Thirdly, the Summit had resolved to make full and productive employment and decent work for all a central objective of relevant macroeconomic policies and national development strategies. Fourthly, it had reaffirmed that gender equality was essential for advancing development and expressed a commitment to the integration of gender perspectives into political, economic and social policies and programmes. Fifthly, it had renewed commitments to sustainable development, including addressing issues of water, human settlements, biodiversity, desertification and climate change. Sixthly, the Summit had decided to strengthen United Nations capacity for peacekeeping, peacemaking and peacebuilding and produced a blueprint for a peacebuilding commission to ensure more coherent and sustained international efforts in post-conflict situations.

6. Furthermore, the Summit had forged agreement on key aspects of United Nations reform, including, most notably, strengthening the Economic and Social Council. The Council would in future be responsible for undertaking ministerial-level reviews of progress towards the development goals, convening a high-level development cooperation forum to review trends in international development cooperation and building its capacity to respond more effectively to economic, social and environmental developments and humanitarian emergencies. Lastly, the Summit had

reasserted the central responsibility conferred by the Charter on the Council for system-wide coordination.

7. With respect to financing for development, a number of measures to increase South-South cooperation had been put forward at the Summit. Moreover, ODA was expected to increase to $130 billion by 2010, from $80 billion in 2004, and aid to sub-Saharan Africa was expected to double, from $25 billion to $50 billion a year over the same period. The increase in aid, however, must not be limited to debt forgiveness, technical assistance and emergency and humanitarian relief. Rather, as recommended in the *World Economic and Social Survey 2005*, ODA must also be channelled through the budgets of the recipient countries themselves. The fulfilment of the aid commitments and the principles and targets in the Paris Declaration on Aid Effectiveness would be a major breakthrough in international cooperation, particularly for sub-Saharan Africa. Another breakthrough was the debt relief for HIPC countries agreed at the annual meetings of the Bretton Woods institutions. In short, the Summit had encouraged Member States to make major commitments in the areas of ownership, aid and debt. There had also been progress on innovative sources of financing, including plans by the Global Alliance for Vaccines and Immunization for the International Finance Facility and by the French, Brazilian and Chilean Governments for a global solidarity fund financed from airline tickets. Another advance for the Monterrey Consensus had occurred when the United Nations Convention against Corruption had received the ratifications required to become operational.

8. Those actions greatly supported the Monterrey Consensus and progress towards development. Nevertheless, to have a major impact, they must be extended. Furthermore, while debt relief for HIPC countries was welcome, the majority of the world's poor resided in other developing countries, many of which were middle-income States also facing heavy debt burdens. Some Summit participants had therefore stressed the importance of extending relief to non-HIPC and middle-income States. Moreover, the conditions attached to aid often conflicted with domestic development strategies. Only when aid was aligned fully with national development strategies, as set out in the Paris Declaration, could it be nationally owned and effective.

9. The growth of the world economy had slowed measurably in 2005; it was expected to reach about 3 per cent in 2005 and the same in 2006. The world economy was facing several constraints of a structural nature, most notably the rising external deficit of the United States and the growing surpluses in several economies of Asia and Europe and oil-exporting States. The recent rise in oil prices also posed a challenge to world economic growth and, in particular, the economic development of many developing countries. Other possible constraints on growth included a lull or even reversal of the trend in appreciating housing prices in many large economies and a significant rise in long-term interest rates and risk-adverse financial markets. Meanwhile, the international economic environment showed some auspicious signs. International trade had continued to grow at a robust pace; financial markets worldwide had generally remained calm; and the terms of trade for many developing countries had improved considerably.

10. The Committee would be considering several crucial issues involving the issue of globalization, including the challenges of achieving development goals and integration into the global economy, poverty eradication, particularly the central role played by employment, and sustainable development issues such as energy efficiency and international migration. Lastly, the General Assembly would be holding a high-level dialogue on international migration and development, which the Committee had been asked to organize.

11. **Mr. Lorenzo** (Dominican Republic) said that his Government had been one of the seven pilot countries to submit a Millennium Development Goals needs assessment report during the World Summit. The needs assessment had led the Dominican Republic to address pressing development issues such as the lack of capacity and human capital and helped his Government to identify the indicators and measures needed to improve the situation. The greatest challenge, however, was to draw a poverty map which would adapt national development goals to the needs of local communities. He would welcome further information on how high oil prices would affect the achievement of the Goals and on the importance of such needs assessments for the establishment of realistic Poverty Reduction Strategy Action Plans and combating poverty. It would also be useful to know how principle 10 of the Global Compact concerning corruption would affect

sustainable development. Lastly, in the light of the vulnerability of Caribbean islands to hurricanes and other natural disasters, more details were needed on the role of the Central Emergency Revolving Fund in prevention and relief efforts.

12. **Mr. Ocampo** (Under-Secretary-General for Economic and Social Affairs) said that the Goals assessment initiative undertaken by the Dominican Republic and other countries was of particular importance given the Summit decision to use needs assessments for national poverty reduction strategies and achieving the Millennium Development Goals. The United Nations and agencies such as the United Nations Development Programme had a role to play in that process. On the issue of the recent stress felt by oil-importing countries, which were facing increasing balance-of-payment limitations, there could be greater cooperation between the oil-producing and oil-consuming countries. Oil-exporting countries, however, were currently facing oil capacity constraints and reduced oil-refining capability. Improving that capacity would benefit both oil-exporting and oil-importing countries. Concerning the Global Compact, the principle of transparency was indeed an essential element for achieving sustainable development. Lastly, there should be broader discussion on the ways in which the effectiveness of the United Nations humanitarian response, including through the Central Emergency Revolving Fund, could be enhanced to meet the needs of countries such as the Caribbean islands which were particularly vulnerable to natural disasters.

13. **Mr. Al-Ghanim** (Kuwait) said that, regrettably, a number of factors contributing to the rise in oil prices had not been addressed, such as increased demand for energy. Natural disasters had also had an impact on oil prices as several refineries had ceased operation. Furthermore, many advanced countries had not improved oil-refining technologies for some time. There was therefore a need to renew existing technologies. Another issue which had been overlooked was the contributions made by oil-exporting countries to developing countries. For example, the Organization of Petroleum Exporting Countries (OPEC) had contributed some $7 billion to promote the development of low-income countries.

14. **Mr. Loizaga** (Paraguay) said that one of the priorities for developing countries was the ability to use trade as an instrument for achieving their development goals, as was stressed in the report of the Secretary-General on building institutions for achieving the development goals and integrating in the global economy (A/60/322). Another essential element of development was employment, which required greater attention. Productive employment was needed to reduce poverty and promote health and education. ODA should not be seen as a mere handout, but as a means of improving the labour market. Further clarification was needed on the relationship between increasing trade and generating employment, which in turn would achieve stability, democracy, security and improved living standards.

15. **Mr. Mansour** (Islamic Republic of Iran) said that the representative of Kuwait had rightly pointed to the increase in international demand for energy and reduction in oil-refining capacity which had been affected by natural disasters and other elements. It should be noted that the increase in energy prices was not limited to oil. Furthermore, oil-producing countries were paying a high price for the technology which they were importing. The high price of oil was governed by the market and was beyond the control of energy-exporting countries. Lastly, the stress on oil-importing developing countries caused by high energy prices had been mitigated by the $7.4 billion from the OPEC Fund for International Development which had been earmarked for development.

16. **Mr. Mbayu** (Cameroon), referring to the view that the 2005 World Summit Outcome had fallen short of expectations, pointed out that a great deal could be accomplished in many areas highlighted by the Under-Secretary-General in his statement. Particular mention should be made of the need to implement earlier commitments, of additionality in relation to ODA and of the voice and participation of developing countries in international economic decision-making. His delegation would welcome suggestions from the Under-Secretary-General regarding the course of action to be followed in negotiating and formulating draft resolutions on that issue.

17. **Mr. Hackett** (Barbados) said that many developing countries, particularly in the middle-income category, were small economies caught between servicing their debts and financing their development. Obliged to borrow on the international markets in order to fund basic development projects often shunned by private investors, who considered the related risks too high, they faced rising debts. In view

of the Under-Secretary-General's references to the importance attached to debt relief by the Bretton Woods institutions and some Summit participants, the delegation of Barbados would welcome the views of the Department of Economic and Social Affairs regarding helping some of the countries concerned to deal with their increasing debt burden.

18. **Ms. Navarro Barro** (Cuba) said that the Under-Secretary-General's statement observation that the terms of trade for many developing countries had improved considerably was contradicted by the difficulty of focusing the current World Trade Organization (WTO) negotiations on development and by the barriers facing the developing countries, such as agricultural subsidies. Accordingly, the delegation of Cuba would welcome an explanation of that observation, including the Under-Secretary-General's views on what the outcome of the Doha negotiations could be and what points the developing countries should insist on in order to achieve results favourable to them in the area of international trade.

19. **Mr. Leglise-Costa** (France) said that the renewed political impetus gained by the Millennium Development Goals, the progress made towards implementing the Monterrey commitments on financing for development and the steps taken with regard to such specific goals as fighting AIDS and improving the situation in Africa were impressive results that in some areas almost surpassed expectations. In light of the key role assigned to United Nations agencies with regard to development and of the need for their reform, the delegation of France would welcome the views of the Under-Secretary-General on the financing of those agencies.

20. **Mr. Ocampo** (Under-Secretary-General for Economic and Social Affairs), referring to the preceding observations and questions, said that indeed the Summit had catalysed various initiatives in the areas of ODA and South-South cooperation, implementation of the leading principles (ownership, alignment and harmonization) of the Paris Declaration on Aid Effectiveness, measures addressing HIPC indebtedness and recognition of the importance of productive employment.

21. As the representatives of Kuwait and the Islamic Republic of Iran had pointed out, high oil prices were indeed caused by growing demand rather than restricted supply. The situation had been exacerbated by recent natural disasters and the refining capacity problem pointed out by the representative of the Islamic Republic of Iran, but South-South and OPEC Fund initiatives were having positive effects. With regard to the debt burden, which had been referred to by the representative of Barbados, a full analysis of the issue was provided in the *World Economic and Social Survey 2005*. In addition to measures for the HIPC, steps were being taken to implement specific debt restructuring methods, such as the Evian approach adopted by Paris Club participants and the collective action clauses encouraged by IMF. However, further discussion was necessary to identify other restructuring approaches, such as an appropriate institutional mechanism, that would benefit both large and small debtor countries. With regard to the points raised by the representative of Cameroon, additionality in respect of ODA actually implied that additional specific aid of the order of $50 billion would flow annually to developing countries. Assistance should be aligned with the recipient countries' budgetary priorities, as established through the parliamentary process. Concerning the voice and participation of developing countries in international economic decision-making, there was a consensus in the Bretton Woods institutions on the need to address the underrepresentation of developing countries in numerical terms and in terms of the amount of assistance received.

22. With regard to the points raised by the representatives of Paraguay and Cuba concerning international trade, the situation had in fact improved for many developing countries that were net exporters of energy, raw materials, particularly minerals, and agricultural commodities. The prices of such products had been recovering, largely as a result of Chinese demand, which generally speaking contributed to the accelerated economic growth of the developing world. However, there was no denying that current trade negotiations were encountering difficulties that the negotiators should endeavour to resolve. Key targets should be success in the negotiations over subsidies, implementation of special and differential treatment for developing countries that needed protection from international competition in sensitive but crucial sectors of their economy, and effective use of employment as a poverty reduction approach. Lastly, the coordination of the operational aspects of the United Nations and the activities of specialized agencies called upon to play a role in attaining the Millennium Development Goals (MDGs) should be the

responsibility of the Economic and Social Council in keeping with its mandate.

General debate

23. **Sir Emyr Jones Parry** (United Kingdom), speaking on behalf of the European Union, the acceding countries Bulgaria and Romania, the candidate countries Croatia and Turkey, the countries of the stabilization and association process and potential candidates Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, the Republic of Moldova, Serbia and Montenegro and Ukraine, reviewed the progress so far achieved in 2005 in terms of renewed commitments to implementing the outcomes of the major United Nations conferences made in various forums, significant new commitments made in various financing for development meetings and the Summit held in September, and important agreements on sustainable development and environmental issues, such as those reached at the recent summit. The forthcoming Conference of the Parties to the Framework Convention on Climate Change in Montreal would deal with long-term measures to combat global warming. Resources for the Education for All-Fast Track Initiative would be scaled up, and health systems would be strengthened with a view to achieving universal access to reproductive health and to HIV/AIDS treatment.

24. In view of those achievements, the Second Committee during the current session should focus on areas where it could add value. The European Union was determined to strengthen and revitalize the Committee and improve its working methods. Fewer and more focused reports and resolutions and rationalization of the agenda could enrich the quality of work. There should be fewer long debates with prepared statements, and more interactive and stimulating panel discussions.

25. **Mr. Neil** (Jamaica), speaking on behalf of the Group of 77 and China, said that the data for 2004 and 2005 on the global economic situation could be interpreted as the beginning of a downward cycle or just a temporary lapse resulting from restrictive short-term adjustments. After reviewing the data, he noted that Africa had begun to receive the focused attention its circumstances warranted. Positive decisions had been taken to assist in enhancing the economic, social and political performance of Africa on the basis of policies and programmes determined by Africans themselves, provide resources through a combinatio of debt cancellation and increased ODA, encoura private investment as well as enhance the quality aid. However, if international trade policies and rul were made more development-friendly, they wou create conditions for African exports to contribute the level of their potential to the financing of Afric development. He welcomed the increased recognitio of the particular needs and challenges of lea developed countries, landlocked least develope countries and small island developing States, and t reaffirmed commitment of the international communi to urgently address those needs and challenges throu the full, timely and effective implementation of t Brussels Programme of Action, the Almaty Programm of Action and the Mauritius Strategy for the Furth Implementation of the Programme of Action for t Sustainable Development of Small Island Developi States. However, other low-income and middle-incom developing countries also needed special attention. T challenge was to translate that recognition into actio oriented decisions.

26. He welcomed the steps taken to speed up effor to achieve the Millennium Development Goal including the commitment of some developed countri to timetables for achieving the target of 0.7 per cent GNP for ODA by 2015; the decision of the G-8 cancel the debt of 18 heavily indebted poor countri and the recognition that such action needed to extended to the other 20 countries in that category; a the acceptance of quick-impact initiatives as a mea of achieving identifiable results and maintaining publ interest and involvement.

27. The Group of 77 and China welcomed t recognition by the World Summit that the Millenniu Development Goals did not cover all the developme goals and the reaffirmation of and rededication to t broad set of commitments and goals from the vario development conferences and summits. Attention mu also be focused on achieving those goals. It w regrettable that the "July package" had not progresse further. It was equally disappointing that the Wor Summit had not agreed on a strong message to t WTO Ministerial Meeting in Hong Kong on the need fulfil the development dimension of the Doha wo programme. The Group of 77 and China reiterated t call for the elimination of export subsidies b developed countries, enhanced market access for goo and services from developing countries to the marke

of developed countries and the need to facilitate the transfer of technology and knowledge to developing countries through a clear intellectual property regime.

28. Turning to systemic issues and global economic governance, he noted that it was extremely urgent to ensure that all countries had a greater participation in global economic decision-making. While the Bretton Woods institutions and WTO had resisted any formal arrangement to allow discussion and coordination of international policies in such areas as finance, trade and reform of the global financial architecture, the sanctioning by the World Summit of the holding of a biennial high-level development cooperation forum to review trends in international development cooperation and to promote coherence could serve as good basis for action in that regard.

29. Since the continued use of unilateral coercive measures against developing countries undermined United Nations principles and international law, threatened the freedom of trade and disturbed the flow of international economic activity, it must be eliminated. He noted, with regard to the special circumstances of countries under foreign occupation, that in order to advance the welfare of all peoples, the international community should take measures to end such occupation. The Group of 77 and China sought greater commitments of support to build and strengthen the scientific and technological capacities of developing countries and endorsed the call in the Millennium Project report (A/60/208) for a global undertaking to attain that objective. They hoped that the World Summit Outcome was the beginning of efforts to promote such a goal.

30. Greater attention must be paid to migration. An area of particular concern, in that regard, was how to reduce the costs of transferring remittances. He reaffirmed the commitment of the Group of 77 and China to the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Plan of Implementation of the World Summit on Sustainable Development. The Group attached great importance to the three pillars of sustainable development and to the need to address them in an integrated manner. Noting with concern the increased incidence of natural disasters and their destructive impact on small and vulnerable economies, he called for increased international assistance in the creation of mechanisms for prevention, preparedness and mitigation of natural disasters and their effects, including through early-warning systems as well as long-term rehabilitation and reconstruction. In that regard, the United Nations system and the international community should work closely in assisting affected and disaster-prone countries and providing timely early-warning information to their Governments. They should also support the implementation of the Hyogo Framework for Action 2005-2015: Building the Resilience of Nations and Communities to Disasters in disaster-prone developing countries. While the basic package of measures for development agreed by the 2005 World Summit was not as substantive as the problem required, the challenge was to complete the unfinished agenda and to devise the policies necessary to take forward the process of implementation.

31. **Mr. Akram** (Pakistan) said that, for the 2005 World Summit Outcome to have meaning, the goals, commitments and policies agreed by world leaders should be translated into action. In that regard, greater political commitment was needed, inter alia, to urgently secure adequate financing for the Millennium Development Goals, including reversing the net outflow of resources from the developing to the developed world, and to pursue innovative means of securing national and international financing. Measures should also be put in place to promote more equitable flows of foreign direct investment to all developing countries. Furthermore, he hoped that a number of agreements would be reached at the WTO Hong Kong Ministerial meeting that responded to the interests of developing countries, including agreement on a tariff-cutting formula for non-agricultural goods leading to the early elimination of tariff peaks and tariff escalation against developing country exports; a moratorium on the use of anti-dumping actions against low-income countries; and an agreement on the end date for agricultural export subsidies, including cotton subsidies, and a clear commitment by the developed countries to end all other support measures.

32. A commodity price stabilization mechanism should be established and a review, by both WTO and the World Intellectual Property Organization (WIPO), of the development dimension of the global intellectual property regime was needed. Noting that an agreement on international migration should be a central element of any fair trading system, he stressed the need to enhance the voice and participation of developing countries in international trade, development and financial institutions.

33. Implementation of the Summit decisions, which should be member-driven, with support, as required, from the Secretariat, could be promoted systematically only when the Millennium Development Goals and other internationally agreed development goals had been identified as precisely as possible. In that regard, he suggested that the Department of Economic and Social Affairs and UNDP should develop a comprehensive matrix on development goals, targets, indicators and the actors involved in achieving them. Inputs for such a matrix would be collected from United Nations agencies, the Bretton Woods institutions and other bodies. It could be developed and refined into a model similar to the Donor Assistance Database (DAD) being used to track tsunami aid and should follow a results-based approach. In addition to identifying and tracking development goals, implementation must be vigorously pursued at the intergovernmental level through national and sectoral reviews and reviews by the Economic and Social Council as well as assessment by an annual ministerial session of the General Assembly.

34. Commenting on the five areas in which the 2005 Summit had assigned new responsibilities to the Council, he noted that the Council should be able to undertake a policy review of the status of implementation of the Millennium Development Goals and other internationally agreed development goals by identifying the gaps, shortcomings and successes, both at the national level and development partner levels and further developing policy recommendations to advance the implementation process. A practical approach must be developed to allow the Council to effectively perform its functions as a biennial development cooperation forum which would address multilateral, bilateral and South-South cooperation and review both the quantity and quality of assistance for development. The Council's role in supporting and complementing international efforts to address humanitarian emergencies would depend on its ability to convene at short notice. Apart from policy coherence, the Council's coordination role could help to realize the goal of "one United Nations"; avoid duplication and waste of resources; and allocate tasks to those agencies and organizations that had the best comparative advantages. The Council's role in the Peacebuilding Commission would be to ensure coherence and a smooth transition from a conflict to a post-conflict and development phase.

35. **Mr. Denisov** (Russian Federation) welcomed the 2005 World Summit Outcome. Five years after the Millennium Summit and three years after the Monterrey Conference, the political impetus to achieve the Millennium Development Goals had been further reinforced. At the current session, the Second Committee should focus on the common objective of defining the programme for the implementation of the decisions reached during the Summit. Any decisions on financing for development should be taken on the basis of consensus. Imposing any specific initiative might have an adverse impact on the effectiveness of the painstakingly built and well-balanced Monterrey process. Increasing ODA was an important goal and the Russian Federation was working on strengthening its own donor potential. However, a mechanical increase in external assistance should not be considered a panacea; it was equally important to enhance the quality and effectiveness of aid.

36. Noting that the expansion of world trade created additional opportunities for achieving the Millennium Development Goals, he welcomed the recognition in the 2005 World Summit Outcome of the importance of integrating all States into the global trading system and facilitating the accession of developing countries and countries with economies in transition to WTO. He hoped that the Hong Kong WTO Ministerial Meeting would be a turning point with respect to both the Doha Round and to the achievement of the Goals.

37. He supported the call for a more long-term perspective on financing for development, including the idea of voluntary mechanisms. However, realistic objectives should be set while resisting the temptation to impose solutions that lacked universal support. His delegation understood the importance of improving global environmental governance and supported the Secretary-General's idea of creating a global early-warning system, in the context of a revamped International Strategy for Disaster Reduction. His delegation also supported the holding of a high-level dialogue devoted to international migration and development during the sixty-first session of the General Assembly. The Summit decisions on United Nations operational activities were balanced and reflected the ongoing discussions on enhancing the effectiveness of the United Nations development system. All current efforts towards reform must be based exclusively on the decisions of Member States. It was fundamentally important to uphold the principle of

institutional integrity and organizational mandates of all operational agencies. Lastly, potential new sources of financing should not be a substitute for voluntary contributions to operational activities, which permitted the organizations of the United Nations system to perform their work in a neutral and apolitical manner.

38. **Mr. Jenie** (Indonesia), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), said that a quarter of the people in the developing world still lived below the poverty line, and the gap between rich and poor continued to grow. It was therefore essential to meet the Millennium Development Goals, even though the international economic environment was not always favourable for developing countries, as attested by the recent High-level Plenary Meeting of the General Assembly.

39. During the Second ASEAN-UN Summit held in New York in September 2005, ASEAN had acknowledged the United Nations support for the realization of the ASEAN Security, Economic and Socio-cultural Communities. Of particular importance was the Organization's continued backing of the Initiative for ASEAN Integration and implementation of the Vientiane Action Programme, which focused on accelerating ASEAN integration and narrowing the development gap among member countries. Cooperation between ASEAN and the United Nations should be enhanced, encompassing key issues related to development and particularly poverty eradication, prevention and control of infectious diseases, natural disaster management, transnational issues, trade and investment, and energy.

40. Despite the different levels of economic development among ASEAN member countries, the Association wished to play a significant part in the wider progress of the Asia-Pacific region. It was pleased that greater recognition was being given to the complementary role of South-South cooperation and urged the international community and international financial institutions to provide continued support through triangular cooperation for the implementation of the Doha Plan of Action as well as regional initiatives, such as the New Asian African Strategic Partnership (NAASP), which served as a tool to bridge the two continents.

41. Development would come only from a genuine, balanced global partnership, as characterized by the commitments made by the developed countries at the International Conference on Financing for Development in Monterrey in 2002, while developing countries had to continue their own efforts to mobilize domestic resources and create the best conditions for development in line with national priorities and capacities. A follow-up meeting to the Monterrey Conference would be very useful to assess the progress and ASEAN was grateful to Qatar for offering to host it in 2007.

42. It was crucial to act on several important issues. For example, the long overdue commitment of 0.7 per cent of GNP to ODA and the establishment of a timetable to achieve that target by 2015 was encouraging. ASEAN hoped that those developed countries which had not already made the commitment would do so and also attain 0.20 per cent of GNP for ODA to the least developed countries.

43. Other urgent issues included improving the quality of aid and aid effectiveness; supporting the initiative to eliminate the unsustainable debts of several Heavily Indebted Poor Countries and finding a viable solution for the debt problems of middle-income developing countries, perhaps by converting the debt service or principal amount into equities for new projects of at least equal value with their own potential earnings. Furthermore, support should given to the sixth WTO Ministerial Conference to be held in Hong Kong in December 2005 and to renewing the call for the achievement of the goals of the Doha Development Agenda. In that regard, it was important to regain the momentum of multilateral trade talks and ASEAN pledged strong support for establishing full modalities in agriculture and in non-agricultural market access (NAMA) and making progress in the area of services, trade facilitation and improvement of rules and solutions in implementation-related issues. Key countries should assume active leadership to accelerate the pace of the ongoing negotiations. Continued efforts were needed to reform the international financial structure, including enhancing the voice and participation of developing countries in the Bretton Woods institutions.

44. The issue of natural disasters needed to be addressed and ASEAN welcomed the establishment of a worldwide early-warning system, building on regional and national capacity. It urged the international community to continue supporting the reconstruction and rehabilitation phase in the countries

affected by the Indian Ocean tsunami disaster, as agreed in General Assembly resolution 59/279.

45. Energy and high fuel prices were crucial factors affecting development. In the light of the global dependency on fossil fuels and diminishing supply, greater effort was needed to promote energy conservation, and develop alternative energy and renewable energy sources. Commitments concerning sustainable development, science and technology and "quick wins" should also be fulfilled.

46. **Mr. Effah-Apenteng** (Ghana) said that the Summit outcome represented a workable compromise between the differing interests and concerns of the Members of the United Nations. A number of significant undertakings had been given during the meeting; for example, all Governments had declared their firm and unambiguous commitment to achieving the Millennium Development Goals by 2015, while the developed countries had manifested stronger support for achieving the target of contributing 0.7 per cent of GNP to ODA by the same date and the developing countries had pledged to promote good governance, fight corruption, pursue sound macro-economic policies, and make transparent and effective use of public funds.

47. The value of innovative sources of financing for development had been recognized and agreement had been reached on considering additional measures to ensure long-term debt sustainability through increased grant-based financing, cancellation of the official multilateral and bilateral debt of Heavily Indebted Poor Countries, and debt relief or restructuring for low-income and middle-income developing countries with unsustainable debt burdens.

48. All delegations had made a commitment to liberalize trade and work towards implementing the development dimensions of the Doha work programme and the international community had resolved to strengthen cooperation with the New Partnership for Africa's Development (NEPAD) through coherent support for its programmes and an international consortium, involving development banks, to facilitate public and private infrastructure investment in Africa. Nevertheless, those commitments remained to be implemented and Ghana was encouraged by the agreement reached at the annual meetings of the International Monetary Fund and the World Bank on financing the debt relief proposal put forward by the Group of 7 Finance Ministers in London in June and endorsed by the heads of the Group of 8 countries in July.

49. Country-level policy reforms, coupled with increased and more effective aid, though essential, were not enough to ensure sustainable development. Trade, as an engine of growth, was a critical factor: without a timely and satisfactory outcome to the Doha Development Agenda, developing countries could not achieve the economic growth needed to meet the Millennium Development Goals. If the commitments made in the Summit outcome to liberalize trade and work towards implementing the development dimensions of the Doha Work Programme were put into practice, a satisfactory outcome should include: a major reform of agricultural trade policies to expand market access and eliminate trade-distorting subsidies; action to open markets in manufacturing and services; and increased aid for trade to address supply-side constraints and enhance the capacity of developing countries to take advantage of expanded trade opportunities.

50. The United Nations could play a central role by putting its vast array of technical expertise at the service of Governments of developing countries to assist them in formulating the national plans needed to achieve the Goals for implementation by 2006.

51. **Mr. Nguyen Tat Thanh** (Viet Nam) said that the major international financial institutions had forecast a slowing-down in the growth rate of the world economy. The current situation added to the difficulties faced by developing countries as a result of the unfair international economic system in which many of them still suffered from measures that were often arbitrary and unilateral, uneven foreign direct investment flows, and the continued paucity of ODA together with its ever-increasing conditionalities. In that context, the Summit outcome provided hope for improvement.

52. There was a serious lack of democracy at the heart of the multilateral trading system. While trade was universally recognized as crucially important for economic growth and development, many developing countries had become victims of unjustified protectionist measures and the Doha Round had reached a stalemate, especially in relation to agriculture. The Summit had called for the elimination of trade barriers and the opening up of markets to allow developing countries to realize the full potential

of their exports of agricultural products, to improve food security and the welfare of their people, and to provide impetus to the world economy as a whole. The response to that appeal would reflect the will to move forward.

53. Foreign direct investment and ODA remained critical, not only for the economic growth of developing countries, but also for their endeavours to develop national capacity and sound economic policies to ensure fulfilment of the Goals. While foreign direct investment flows kept increasing, the trend could not be guaranteed. Moreover, such flows were uneven: the 10 largest recipient countries accounted for three quarters of total foreign direct investment flows to developing countries. Meanwhile, ODA fell far short of the target of 0.7 per cent of GNP. If the situation persisted, many poor developing countries and especially the heavily indebted African countries would be unable to fulfil their Millennium Development Goals. Viet Nam urged developed countries to adopt policies to encourage investment in developing countries in a more even-handed manner and to honour their commitment to the target of 0.7 per cent by 2015.

54. Debt relief and debt sustainability also needed to be addressed adequately as soon as possible in order to help achieve the Goals and Viet Nam welcomed the decision of the Group of 8 to cancel the outstanding debt to the World Bank, the IMF and the African Development Bank of 18 low-income countries.

55. In the field of South-South cooperation, Viet Nam was continuing its fruitful tripartite cooperation with six African countries.

56. **Mr. Kau** (Fiji) said that the Outcome of the 2005 World Summit was not solely about development and poverty eradication; it also referred to peace and collective security, human rights and the rule of law, and the strengthening of the United Nations. Moreover, it was not possible to ensure security while one billion human beings were in danger of being left behind. Consequently, trading partners were urged to recognize the special difficulties faced by developing economies during trade reforms and to provide support during the cessation of preferential treatment and guaranteed commodity prices. Moreover, the speed of the systemic changes in trade should be adjusted to a more realistic pace suited to developing nations.

57. For trade reform to be successful, access to markets and appropriate prices for commodities were essential; also, the role of economic stability in furthering development goals needed to be stressed. Countries needed access to an equitable global financial and trading system. Recent agreements, such as the Monterrey Consensus and the Mauritius Strategy, ensured that the framework was in place; all that remained was to implement them.

58. Fiji welcomed the European Union's timetable to reach new levels of ODA. It hoped that the funds would further galvanize the implementation of projects in developing countries and reach the intended recipients. Fiji thanked its partners for their economic support in the reform of its sugar industry; it had initiated programmes to encourage the diversification of agricultural crops, support farmers through loan payment strategies and assist them in gaining market access. However, those national efforts required regional and international support.

59. Fiji agreed that sustainable development was in itself a central goal and believed that all agreements and plans of action needed to be considered in the light of their ability to promote development towards the Millennium Development Goals. It wished to call special attention to the need to implement the actions outlined in the Mauritius Strategy for the development of Small Island Developing States, which provided a blueprint for achieving development goals.

60. Many facets of development were best addressed at the regional and country levels and the role of the international community was to provide structural and economic support to allow sovereign States to develop their own national implementation plans. The Fiji Government was giving priority to the development of rural areas and funding a plan of action to encourage gender equality. It was also directing money towards poverty alleviation efforts.

61. Fiji welcomed South-South cooperation partnerships and particularly the Jakarta Declaration on Millennium Development Goals in Asia and the Pacific. It urged the United Nations agencies and bodies and the Millennium Project to support the recommendations in the Declaration.

62. Poverty eradication should remain a paramount concern for all and particular importance should be given to supporting women's efforts to achieve sustainable development and eliminate poverty. The disparity in information and communications technology (ICT) between the rich and poor must be addressed urgently, since ICT was a powerful tool for development. Migration was another issue of critical importance for Fiji and other developing countries. Fiji also looked to the General Assembly to provide the political direction for the strengthening of the Economic and Social Council and increased empowerment of the Secretary-General in directing the United Nations.

The meeting rose at 1.05 p.m.